



USDA Foreign Agricultural Service

# GAIN Report

Global Agriculture Information Network

Template Version 2.09

Voluntary Report - public distribution

**Date:** 2/27/2009

**GAIN Report Number:** TU9004

## Turkey

### Dairy and Products

### Turkish Ice Cream Market

**2008**

**Approved by:**

Ralph Gifford, Agricultural Counselor  
U.S. Embassy

**Prepared by:**

Ibrahim Sirtioglu, Ag. Marketing Specialist

---

**Report Highlights:**

The Turkish ice cream market, which grew to 180 million liters in 2008 from 60 million liters in 2000, is projected to grow about ten percent annually for the next five years. Local per capita ice cream consumption, currently 2.7 liters per person, doubled over the last five years. The total ice cream retail market has grown to approximately US\$1 billion in 2008. Although per capita consumption is still significantly less than in Europe, the Turkish market represents a potential opportunity for ice cream manufacturers and exporters.

---

Includes PSD Changes: No  
Includes Trade Matrix: No  
Trade Report  
Ankara [TU1]  
[TU]

Table of Contents

Production ..... 3

Consumption..... 3

    Marketing.....4

    Retail prices.....5

Import regulations.....6

Market opportunities.....7

Ice Cream Importers.....8

## Production

According to industry sources, ice cream production in Turkey increased remarkably in recent years and is estimated to have reached 180 million liters in 2008. Domestic production was only 18 million liters in 1990 but jumped to 60 million liters in 2000 and 125 million liters in 2005.

About ninety percent of total production is the industrial type and the rest is the artisanal type produced by local pastry/sweet shops. In the coming years, large scale industrially produced ice cream is expected to capture an even a larger market share as producers are investing very heavily to increase their production capacities. Industrial ice cream producers are also investing in marketing campaigns to increase market penetration.

There are seven leading firms currently marketing industrial ice cream in Turkey; Unilever's Algida, Ulker's Natura, Has Gida's Panda brand, Dinamik Gida's Alaska brand, Izmir Sutlu Mamulleri's Memo brand and a local food and confection company that bought Sollmer's plant five years ago. Also Nisfud Gida imports Haagen Dazs products and Nestle recently started distributing Movenpick products.

## Consumption

Domestic ice cream consumption increased dramatically in recent years and reached 2.35 liters per person in 2007. An additional ten percent increase is expected for 2008, bringing per capita consumption to 2.7 liters. This number is expected to reach 4 liters by 2012.

Increasing urbanization, and a growing middle class, and changes in life style were the main reasons for this increase in consumption. Other factors included the stable economy that helped retail sales prices to remain the same for many years, higher average temperatures that extended the season of ice cream consumption, and marketing during sporting events such as the Olympics and international soccer tournaments.

Growing tourism also played an important role in increasing ice cream consumption. Turkey has recently become a leading tourist destination, receiving approximately 25 million tourists in 2008. This number is expected to reach 30 million in 2012. The great majority of tourism activity takes place in the summer months, and a favorite treat of tourists is ice cream. This trend is expected to continue.

Despite the significant increases in recent years, domestic per capita ice cream consumption is still low at 2.7 liters compared to many other countries. In New Zealand, for example, consumption per capita is 28 liters, in the United States it is 25 liters, in Scandinavia it is 17 liters, in Germany it is 8 liters and in Greece it is 4.5 liters. Market studies show that in Turkey about 80 percent of industrial ice cream consumption is by people in the 6 to 25 year age group. Considering that fifty percent of the Turkish population of 70 million is under the age of 28, there is great potential for consumption increases in the Turkish ice cream market for years to come.

According to the same study about 40 percent of total domestic consumption takes place in the Marmara region (Istanbul, Bursa and Izmit) where large population centers with higher purchasing power live, and another 40 percent takes place in the Aegean region between Izmir and Mugla (20 percent) and Southern Anatolia in Antalya and Mersin (another 20 percent) where the weather is warmer and popular tourist centers are located.

Studies on consumption habits also show that while the most popular variety is vanilla, Turkish women prefer ice cream with fruit while men prefer chocolate varieties.

Around ninety percent of total ice cream is consumed between May and October. Ice cream producers are undertaking marketing and promotion activities to change eating habits and to increase consumption during the winter months.

## Marketing

The total value of the domestic ice cream market has grown. The retail market value of Turkish ice cream sales was US\$300 million in 2000, \$500 million in 2005 and is expected to reach \$1 billion in 2008.

The domestic industrial ice cream market has three segments: The impulse segment, small freezers with single serving products, is the largest and according to industry sources in 2008 it had a fifty percent market share (about 90 million liters). The take-home segment has a forty percent share and catering only ten percent. The take-home segment is also divided in two --economy and premium-- of which ninety percent is economy and the remainder premium. The three main segments are growing at different rates. The impulse market is estimated to be expanding at about twenty percent a year, the take-home market at about thirty percent and catering at about fifteen percent.

There are also three main marketing channels for ice cream; independent food stores (grocery stores, gas stations, convenience stores, etc.), super and hypermarkets and specialty shops (ice cream shops and patisseries). While predominantly individual stick ice cream products are sold in the independent stores, more take home products are sold in super and hypermarkets. In the ice cream shops however, artisanal type ice cream is sold by the scoop. According to industry resources, the largest marketing channel is through independent stores. This constitutes about 45 percent of total sales, followed by supermarkets with 30 percent and ice cream shops with 25 percent.

In the impulse market, ice cream is sold in industrial freezers that are supplied by manufacturers to the retailers (small groceries, gas stations, etc.). In 2007 the total number of freezers is estimated at about 300,000 units, of which 200,000 units belonged to Algida, 60,000 units to Ulker-Natura Gida and 40,000 units to Has Gida. Companies are continuing to invest heavily in freezers in order to increase their market shares each year. Accordingly, a total of 60,000 new freezers are expected to be introduced to the market in 2008. According to the industry sources Algida is estimated to have sixty-five percent of the industrial ice cream market, Ulker-Natura about twenty percent and Has Gida about fifteen percent.

In late 90's one of the leading Turkish frozen food producers, Kerevitas, formed a partnership with Scholler of Germany to produce Scholler ice cream varieties in Turkey. However, five years ago the venture was sold to Ulker, a large confectionary and food processing company. Ulker's acquisition of the Scholler operation reportedly contributed to a growth of about twenty-five percent as a result of the advertising campaign that Ulker undertook to introduce its brand to the market. Nisfud company, which is related to Kerevitas, started to import and distribute Haagen Dazs premium ice cream products in order to remain in this lucrative market. Nestle also joined the premium ice cream market when it started distributing Movenpick premium ice cream as did Unilever-Algida when it introduced Ben and Jerry's products to the Turkish market. Improper handling and storage of the ice cream by many stores, however, often damages the quality of the product and manufacturers would benefit

by training their distributors to ensure better quality control and cold storage management, particularly for the premium brand products.

Domestic companies Dinamik Gida (Alaska) in Istanbul and Izmir Sutlu Mamulleri (Memo) in Izmir have only a small share of the industrial ice cream market. Izmir Sutlu Mamulleri sells to the catering market, mostly in the southern part of the country in tourist resorts. This company also imports Mars brand ice cream from a factory in France. The products are relatively expensive, limiting their market to just a few big hotels. Distribution is estimated to be a few hundred tons a year.

Due to increasing competition in the market, leading ice cream producers are spending significant amounts of money developing new varieties, increasing their number of sales points and enlarging their production capacities. Producers have also been introducing products with more milk, fruit and natural ingredients. They are also lowering the sugar and fat contents of their products and producing diabetic and low fat "light" varieties in order to capture niche markets and increase total sales.

The take home market has also been growing in recent years as the number of sophisticated grocery stores and super markets in Turkey expand (please refer to Turkey retail market report TU7013). The significant increase in the number of household refrigerators with two-doors and deep freezers in recent years have also facilitated expansion in this segment. As the number of modern super markets continues to increase, markets have also been devoting larger amounts of space to ice cream every year and carry wider selections. Also, some local supermarket chains have started to carry their own private label ice cream brands in order to dip into this growing market. As mentioned earlier, grocery stores and super markets do not always handle and store the take home products properly, leading to quality problems.

In the artisanal ice cream market some producers have become fairly large through the use of franchising. The largest in this group is a company named "Mado", which has about 190 shops of varying sizes around Turkey and ten abroad. Mado produces artisanal ice cream that used to be sold mostly in cups, but now they have take-home packing as well. Another large size artisanal ice cream producer company is "Fedo" that has about 30 shops in Turkey. Inspired by the success of Mado, some local pastry chains such as Ozsut and BHU began to introduce their own artisanal ice creams to the market this summer.

Turkish ice cream producers are also exporting ice cream, though in limited quantities, to neighboring Black Sea, Balkan, Middle Eastern and Central Asian countries. Total ice cream exports were about 4 million liters in 2005. Turkish ice cream imports were about 785,000 liters during the same year and France was the leading supplier.

## Retail Prices

Prices for industrial ice cream have been stable for the past few years but increases in world fuel and commodity prices forced manufacturers to increase prices about 10 to 15 percent.

Retail Prices:

**Algida:** Magnum YTL 2.25 per stick (PS), Cornetto YTL 1.80 (PS)

**Gulf:** Bravo YTL 2.25 (PS) Coco Star YTL 1.8 (PS), Rako YTL 1 (PS)

**Panda:** Magic YTL 2.25 (PS), Kornet YTL 1.20 (PS), Stix (for children) YTL 0.70 (PS)

**Mado:** YTL 1.75 per scoop.

In general, liter containers sold for between YTL 3.5 and YTL 5.5 at supermarkets.  
(US\$1=YTL 1.50 as of October 2008)

### Import Regulations:

The following office is responsible for the issuance of import permits, which are required for all food imports:

Ministry of Agriculture and Rural Affairs  
General Directorate of Protection and Control  
Food Control Services  
Phone: (90-312) - 417 41 76  
Web site: [www.kkgm.gov.tr](http://www.kkgm.gov.tr)

The following table includes Turkey's 2006 duties for ice cream imports.

	Customs taxes		Agricultural fund (Euro / 100 kg)	
	E.U.	Other	E.U.	Other
3% butter fat	0	8.6	23.26	64.30
3-7% butter fat	0	8	40.06	90.46
7%+ butter fat	0	7.9	57.13	57.13

### Sanitary and Packaging Regulations:

According to current requirements, imported ice cream must have a permanent label attached to each package which includes the following information: Name of the product; name and address of the producer; production date and last consumption (expiration) date; net weight (gr) and volume (ltr); Ministry of Agriculture production or import permit number; ingredients; nutritional facts; storage requirements; name/type of packing materials.

### Market opportunities:

Turkey represents a good opportunity for ice cream manufacturers and exporters, with its large potential for increases in the overall size of the market due to such factors as an increasingly young urban population with changing life styles and continuing growth in tourism. The domestic market responds well to marketing and a niche market exists for high quality imported ice cream. A number of local firms have shown an interest in forming joint ventures and otherwise cooperating with foreign companies to improve their technical know how, competitiveness and to expand product lines. Companies with large product lines, especially, can consider forming partnerships with existing ice cream manufacturers or other local firms. While the Turkish agriculture/processing sectors are somewhat protected through regulation/import procedures which can make it difficult for foreign firms to enter the market without local partners, ice cream producers may also want to look at direct investments and establishment of ice cream shops in large cities like Istanbul, Izmir or other tourist areas. Turkey has a number of food shows that feature high value products. The most prominent is GIDA 2009, which will be held October 28-31, 2009 in Istanbul at CNR Exhibition Center (Phone 90-212-465 7474 Fax: 465 7476 web: [www.cnr.net](http://www.cnr.net) e-mail: [info@cnrexpo.com.tr](mailto:info@cnrexpo.com.tr)).

For further information on doing business in Turkey, we recommend that potential exporters and investors refer to the following USDA FAS reports, such as the Exporters Guide ([TU6043](#)), the Turkish Retail Food Market Report ([TU7013](#)), and the FAIRS Export Certificates Report ([TU6048](#)). These are available through the FAS web site at

<http://www.fas.usda.gov/scriptsw/AttacheRep/default.asp>. Additional information is available from the FAS offices in Turkey:

FAS Ankara: American Embassy, Kavaklıdere, Ankara.

Phone: 90-312- 457 7383

Fax: 90-312-467-0056

e-mail: AgAnkara@fas.usda.gov

FAS Istanbul: US Consulate, İstinye, Istanbul

Phone 90-212-335 9140

Fax: 90-212-335-9077

e-mail: AgIstanbul@fas.usda.gov

**List of Turkish Ice Cream Producers and Importers:****Algida:** Mr. Ahmet Cosar

Huzurhoca Sok.,

Icerenkoy 81120, Istanbul

Phone: (90-216) 463-9331, Fax 463-9129

**Has Gida (Panda):** Mr. Vedat Bahar

Has Gida Sanayi

Petro Ofisi Cad., Avcilar, Istanbul

Phone: (90-212) 422-1200, Fax 422-1201

**Izmir Sutlu Mamulleri (Memo):** Mr. Onder Hizver

Ankara Cad., 285, Bornova, Izmir

Phone: (90-232) 343-3335, Fax: 343-4418

**Natura Gida (Ulker) :** Mr. Nusret Seyhan Apaydin

Ahmet Bayman Sok 2

Seyrantepe, Istanbul

Phone: (90-212) 284 6000, Fax: 324 4719

**Nisfud gida-Kerevitas:** Mr. Ergun Akaya

Universite Mahallesi, Baglarici Cad. 29

Avcilar, Istanbul

Phone: 90-212-676 0110 Fax: 676 0123

**Dinamik Gida (Alaska):** Mr. Ender Yigitturk

Akasya Sok 7, Besyol, Sefakoy, Istanbul

Phone: (90-212) 425-1835, Fax: 541 6420

**Yasar Dondurma ve Gida Mamulleri****Mado:** Mr. Mehmet Kambur

Gaziantep yolu 5. kilometre, Kahramanmaras

Phone: (90-344) 236-5901, Fax: 236-0613

**Ferah Dondurma:** Mr. Siddik Inalbars,

Ferah Dondurma ve Gida,

Trabzon Cad, 24, Kahramanmaras

Phone: (90-344)-225 0303 Fax: 225 5833

**Pado:** Mr. Murat Kilic

Cumhuriyet Cad. 40, Erzurum

Phone: (90-442)-234 0734. Fax: 234-0742

Web: [www.pado.com.tr](http://www.pado.com.tr)**Ozsuten Gida San.:**

OSB Kemalpaşa, Izmir

Phone: (90-232- 877 0011 Fax: 877 0012

**Bolulu Hasan Usta:**

AOSB 10026 Sok. 48 Cigli, Izmir

Phone: (90-232)-328 0275 Fax: 328 0251